GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:581
ANSWERED ON:03.12.2004
POLICIES AFFECTING INSURANCE SECTOR
Shiwankar Shri Maha Deo Rao

Will the Minister of FINANCE be pleased to state:

(a) whether FICCI has prepared report in course of its survey in which they have expressed apprehension that service tax on insurance premium will affecl business; and

(b) if so. the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMAN1CKAM)

(a) & (b) Yes, Sir. FICCI in its report has mentioned that increase in the service tax is likely to result in increase in insurance premium payable in proportion to the risk premium component.